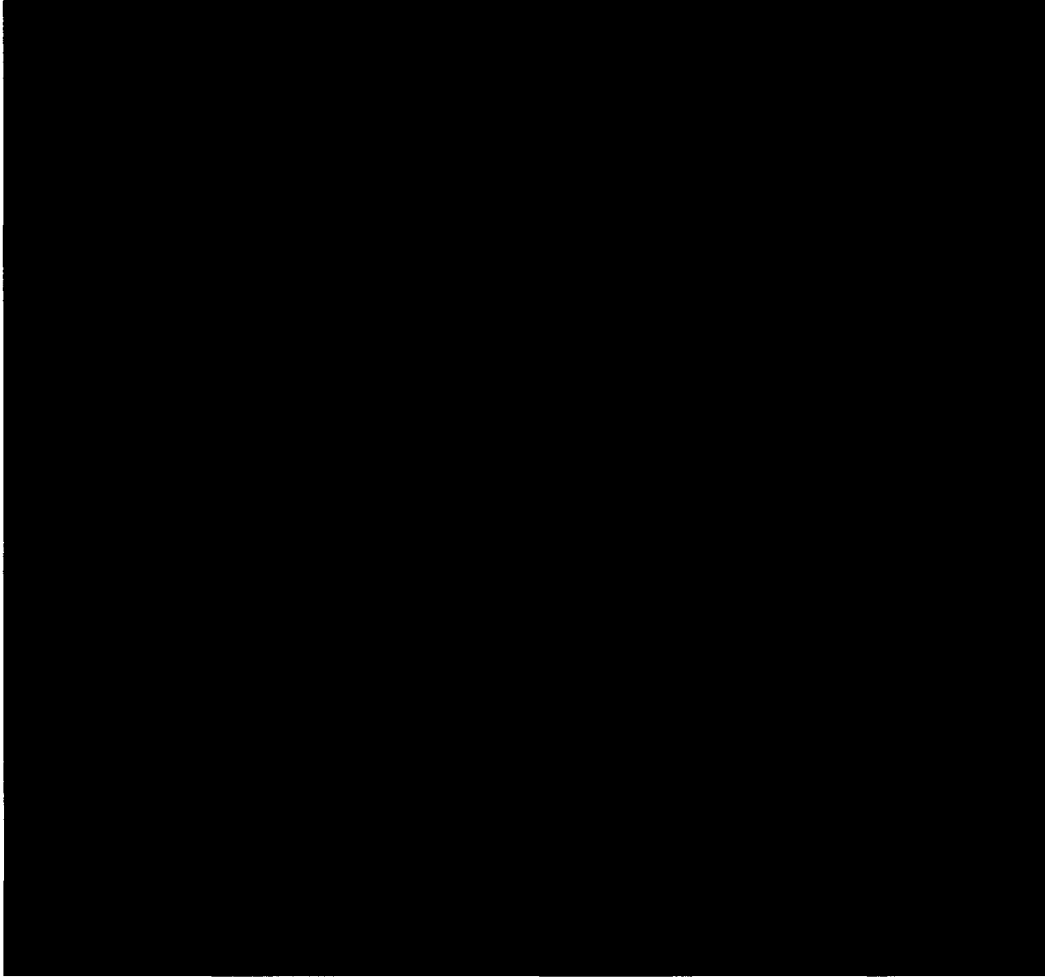


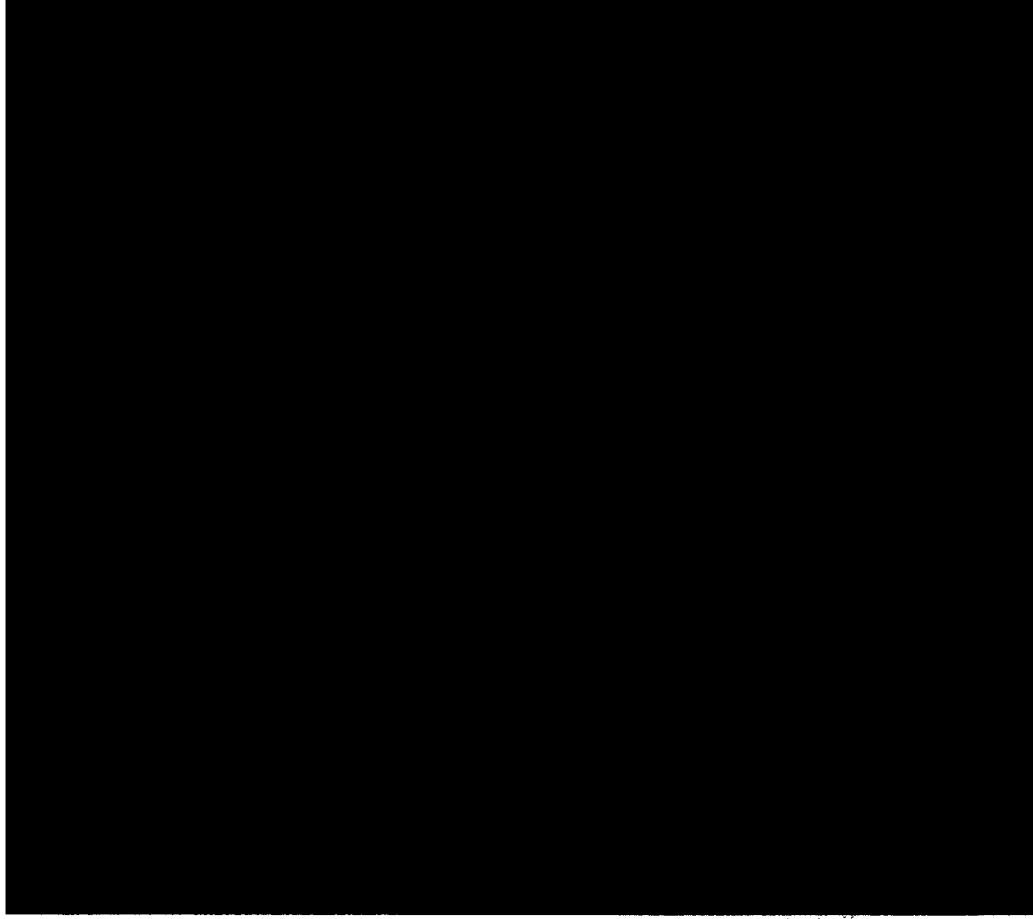
Specific Example



Simple. Different. Better.

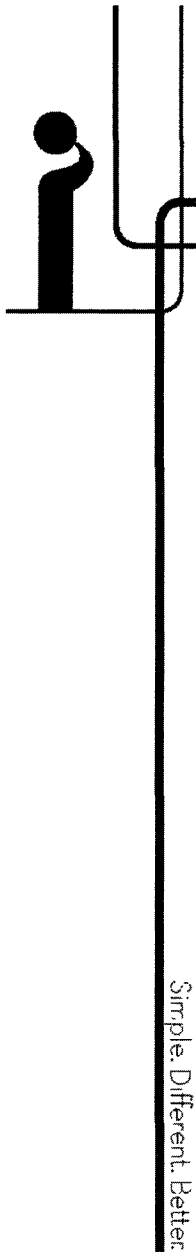
mobil

Specific Example



Simple. Different. Better.

mobij

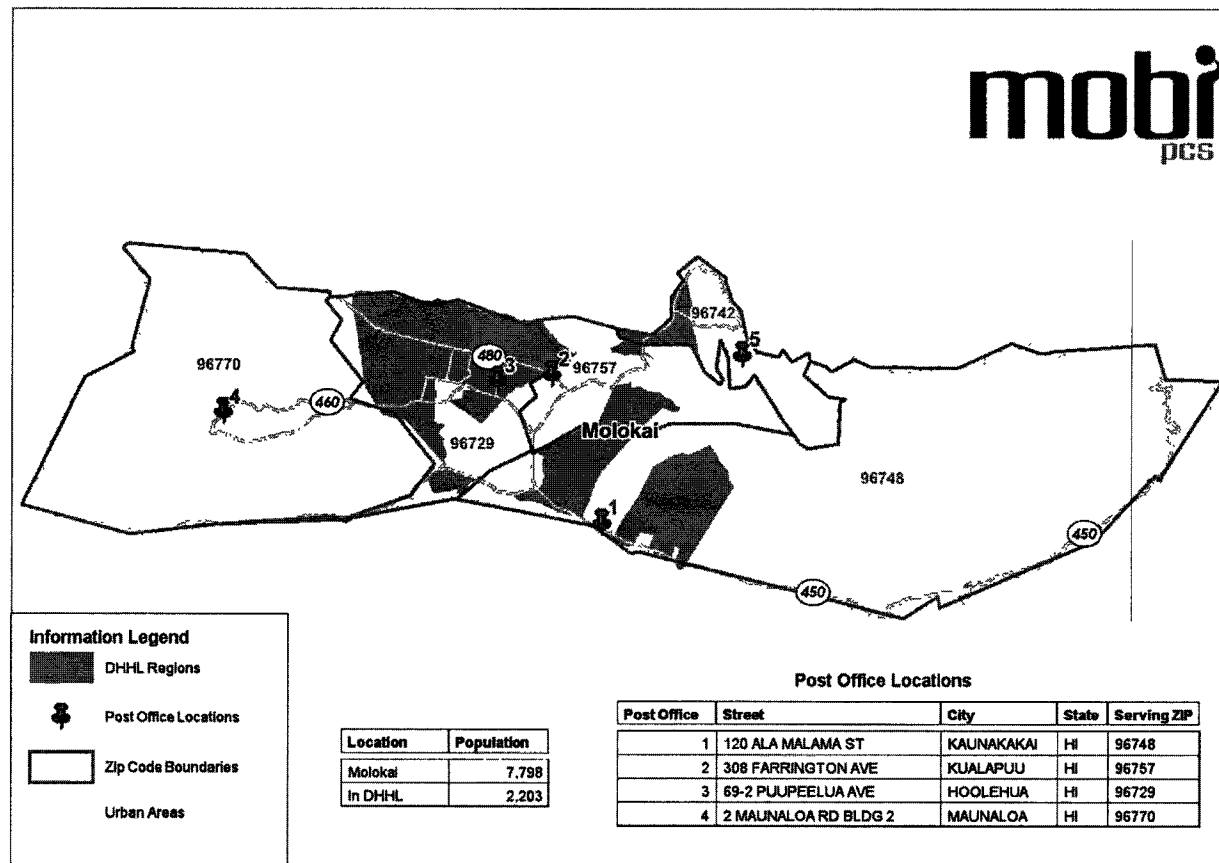


Customer Location Issue

- 47 CFR § 54.307 (b)
 - Competitive eligible telecommunications carriers providing mobile wireless service in an incumbent LEC's service area shall use the customer's billing address for purposes of identifying the service location of a mobile wireless customer in a service area.
- Large sections of Hawaii rely on a post office box addressing system
- Post office boxes do not provide an adequate point to geocode customer locations to correct ILEC serving territories

Specific Example

Molokai DHHL Regions and US Postal Codes



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mobi
pcs

5/18/2011

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Mobi PCS Mail - USAC Audit

ATTACHMENT 6



Peter Gose <peter.gose@mobipcs.com>

USAC Audit

1 message

DiMaria, Patricia (US - McLean) <pdimaria@deloitte.com>
To: Peter Gose <peter.gose@mobipcs.com>
Cc: "DiMaria, Patricia (US - McLean)" <pdimaria@deloitte.com>

Mon, Sep 14, 2009 at 2:20 PM

Peter-

Hope all is well.

I have attached the following documents to this e-mail:

Draft Audit report

Management Representation Letter

With respect to the audit report, 2 findings have been identified. Please prepare management's response to these findings and we will include in the report. Please forward your response to me.

With respect to the management representation letter, if you would please print the letter on Coral letterhead and ask Mr. Rinaldo to sign the letter. Please add Mr. Rinaldo's proper title to the end of the letter where his signature would go. Once signed, you may fax the letter to myself at 703-943-0082 or scan and email me the document. Please mail the original to the following address:

Deloitte & Touche, LLP
1750 Tysons Blvd.

Suite 800

McLean, VA 22102

Attn: Patricia DiMaria, AERS Senior Manager, 9th floor

Thank you so much and please let me know if you have any questions.

Tricia


Patricia DiMaria

5/18/2011

Federal AERS Senior Manager
Deloitte & Touche, LLP

Tel: +1 703 251 3519
Main: +1 703 251 1000
Fax: +1 703 332 7414
pdimaria@deloitte.com
www.deloitte.com

1750 Tysons Blvd.
Suite 800
McLean, VA 22102-4219
USA

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2 attachments

 **Coral management representation letter.doc**
62K

 **Coral draft audit report.doc**
64K

***Universal Service
Administrative Company
High Cost Support
Mechanism***

*Independent Accountants' Report on Compliance
Relating to High Cost Support Received by Coral
Wireless LLC d/b/a Mobi PCS (HC-2008-126) for the
Year Ended June 30, 2008*

INDEPENDENT ACCOUNTANTS' REPORT

Universal Service Administrative Company
Federal Communications Commission

We have examined the compliance of management of Coral Wireless LLC d/b/a Mobi PCS ("Management"), and Coral Wireless LLC d/b/a Mobi PCS ("Beneficiary"), relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders governing Universal Service Support for the High Cost Program ("HCP") relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008. Management of the Beneficiary is responsible for the Beneficiary's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about the Beneficiary's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the Beneficiary's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Beneficiary's compliance with specified requirements.

[REDACTED] however, the support received for Local Switching Support ("LSS") and High Cost Loop ("HCL") was calculated based upon the previous quarter's line count reported of [REDACTED], resulting in a monetary impact on support of an underpayment of LSS and HCL in the amount of \$43,551 and \$492,810 respectively. The overstatement of 43 lines mentioned above resulted in an overstatement of Interstate Common [REDACTED]. The line count was used in the calculation of the Beneficiary's Universal Service Support, which totaled \$14,971,972 for the year ended June 30, 2008.

[REDACTED]

[REDACTED]

This report is intended solely for the information and use of the Universal Service Administrative Company and the Federal Communications Commission, and is not intended to be and should not be used by anyone other than these specified parties.

September 9, 2009

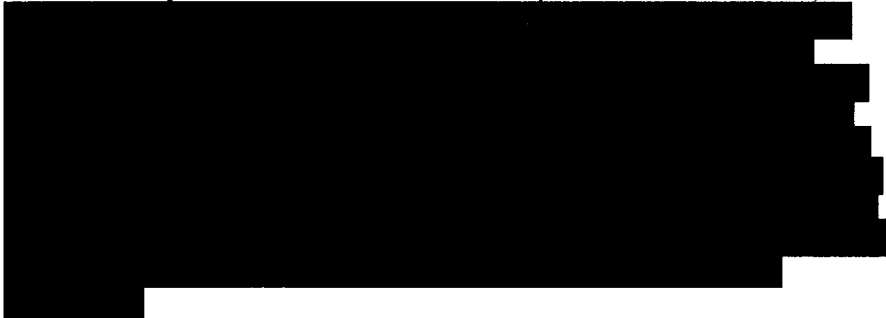

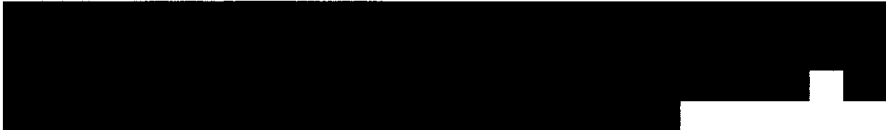
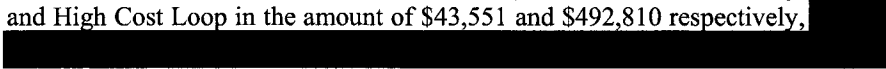

cc: Management of the Beneficiary

CONFIDENTIAL

ATTACHMENT 7

ATTACHMENT:
FINDING

Detailed Information Relative to Material Noncompliance (Finding)

Finding No.	HC2008BE126_F01
Condition	<p>The Beneficiary overstated the number of lines reported as of December 31, 2006</p> 
Criteria	<p>Federal Communications Commission ("FCC") Rule §36.611(h) requires a rural telephone company to submit the number of working loops as of December 31st of the calendar year preceding each July 31st filing.</p> <p>In addition, FCC Rule §36.612 requires rural telephone companies in service areas where an eligible telecommunications carrier has initiated service and has reported line count data pursuant to §54.307(c) must update the information submitted to NECA on July 31st pursuant to §36.611(h) according to the following schedule.</p> <ol style="list-style-type: none">(1) Submit data covering the last nine months of the previous calendar year and the first three months of the existing calendar year no later than September 30th of the existing year;(2) Submit data covering the last six months of the previous calendar year and the first six months of the existing calendar year no later than December 30th of the existing year;(3) Submit data covering the last three months of the second previous calendar year and the first nine months of the previous calendar year no later than March 30th of the existing year.
Effect	
Cause	
Monetary Impact on Support	<p>The monetary impact on support is an underpayment of Local Switching Support and High Cost Loop in the amount of \$43,551 and \$492,810 respectively,</p> 
Recommendation	
Management	[Open for Management's Response]

Response ¹

Comment No. HC2008BE126_C02

Condition The Beneficiary did not properly advertise the services supported by the

[REDACTED]

Criteria

FCC Rule §54.201(d) requires that a common carrier designated as an eligible telecommunications carrier under this section shall be eligible to receive universal service support in accordance with section 254 of the Communications Act of 1934 (as amended) (the “Act”) and shall, throughout the service area for which the designation is received:

(1) Offer the services that are supported by federal universal service support mechanisms under subpart B of this part and section 254(c) of the Act, either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and

(2) Advertise the availability of such services and the charges therefore using media of general distribution.

Effect

[REDACTED]

Cause

[REDACTED]

Monetary Impact on Support The monetary impact is not quantified, as the finding relates to compliance with the FCC Rules.

Recommendation

[REDACTED]

Management Response ¹

[Open for Management's Response]

¹ Although we have included management's written responses to our finding, such response has not been subjected to the examination procedures applied in our examination and, accordingly, we do not express an opinion or provide any form of assurance on the appropriateness of the response or the effectiveness of any corrective action described therein.

APPENDIX A –DEFINITIONS

The definitions of a control deficiency and a significant deficiency are as follows:

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is material will not be prevented or detected by the entity's internal control.


September 9, 2009

Deloitte & Touche LLP
1750 Tysons Boulevard
McLean, Virginia 22102

We are providing this letter in connection with your examination of the compliance of Coral Wireless LLC d/b/a Mobile PCS (the "Beneficiary") regarding the Beneficiary's compliance, relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders ("Rules and Orders") governing Universal Service Support for the High Cost Program relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008. Accordingly, we confirm the following:

- a. Management is responsible for complying, relative to Study Area Code No. 629002, with the FCC Rules and Orders governing Universal Service Support for the High Cost Program ("HCP").
- b. The Beneficiary is responsible for establishing and maintaining effective internal control over compliance with the FCC Rules and Orders.
- c. Management has performed an evaluation of the Beneficiary's compliance, relative to Study Area Code No. 629002, with the FCC Rules and Orders for the year ended June 30, 2008, and the Beneficiary has complied with the FCC Rules and Orders for the year ended June 30, 2008, except as noted in Items #8 and #9 below.

We confirm to the best of our knowledge and belief, the following representations made to you during your engagement:

1. 
2. We have made available all records and documentation related to compliance with the FCC Rules and Orders.
3. We have disclosed all communications from regulatory agencies, internal auditors, and others concerning possible noncompliance with the FCC Rules and Orders, including communications received subsequent to June 30, 2008.
4. We have no knowledge of any fraud or suspected fraud affecting the Beneficiary involving (1) management, (2) employees who have significant roles in internal control over compliance, or (3) others where the fraud could have a material effect on compliance with the FCC Rules and Orders.
5. There were no allegations of fraud or suspected fraud affecting the Beneficiary received in communications from employees, former employees, analysts, regulators, short sellers, or others that could have a material effect on compliance with the FCC Rules and Orders.
6. No instances of noncompliance with the FCC Rules and Orders occurred subsequent to June 30, 2008 and through the date of this letter.

7. We used all of the \$14,971,972 in federal high cost support provided to the Beneficiary for the year ended June 30, 2008 solely for the provision, maintenance and upgrading of facilities and services for which support is intended.

8. [REDACTED] However, the support received for Local Switching Support ("LSS") and High Cost Loop ("HCL") was calculated based upon the previous quarter's line count reported of [REDACTED] resulting in a monetary impact on support of an underpayment of LSS and HCL in the amount of \$43,551 and \$492,810 respectively. [REDACTED]

[REDACTED] The line count was used in the calculation of the Beneficiary's Universal Service Support, which totaled \$14,971,972 for the year ended June 30, 2008.

9. [REDACTED]

Barry Rinaldo

On behalf of Coral Wireless LLC d/b/a Mobile PCS

5/18/2011

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Mobi PCS Mail - RE: FW: USAC Audit

ATTACHMENT 9



Peter Gose <peter.gose@mobipcs.com>

RE: FW: USAC Audit

1 message

DiMaria, Patricia (US - McLean) <pdimaria@deloitte.com>
To: Peter Gose <peter.gose@mobipcs.com>

Wed, Sep 16, 2009 at 2:00 PM

Peter-

I opened up the attachments so I had them in front of me when I called you and realized I had attached a previous version. I am very sorry. I have attached the updated representation letter. The second finding that was included in the report is not applicable. It is not considered a finding and will not be included in the report.

Thank you.

I will call you in a few moments.

Tricia

From: Peter Gose [mailto:peter.gose@mobipcs.com]
Sent: Wednesday, September 16, 2009 2:26 PM
To: DiMaria, Patricia (US - McLean)
Subject: Re: FW: USAC Audit

Tricia,

I do have a couple of questions and just left voice mail for you.

Please call me at y our earliest opportunity. 816-801-8145

Thank you.

Peter Gose
Director - Regulatory Affairs



Pacific Guardian Center - Makai Tower
733 Bishop St. Suite 1200
Honolulu, HI 96813
Direct Line 808.723.2072
Direct Fax 808.723.2172
peter.gose@mobipcs.com

5/18/2011

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Mobi PCS Mail - RE: FW: USAC Audit

ATTACHMENT 9

--- @ [WiseStamp Signature](#). [Get it now](#)

On Wed, Sep 16, 2009 at 11:50 AM, DiMaria, Patricia (US - McLean) <pdimaria@deloitte.com> wrote:

Hi Peter-

Just wanted to follow-up with you on this email. Please let me know if you have any questions.

Tricia

From: DiMaria, Patricia (US - McLean)
Sent: Monday, September 14, 2009 3:20 PM
To: Peter Gose

Cc: DiMaria, Patricia (US - McLean)

Subject: USAC Audit

Peter-

Hope all is well.

I have attached the following documents to this e-mail:

Draft Audit report

Management Representation Letter

With respect to the audit report, 2 findings have been identified. Please prepare management's response to these findings and we will include in the report. Please forward your response to me.

With respect to the management representation letter, if you would please print the letter on Coral letterhead and ask Mr. Rinaldo to sign the letter. Please add Mr. Rinaldo's proper title to the end of the letter where his signature would go. Once signed, you may fax the letter to myself at 703-943-0082 or scan and email me the document. Please mail the original to the following address:

Deloitte & Touche, LLP
1750 Tysons Blvd.

C O N F I D E N T I A L

5/18/2011

Mobi PCS Mail - RE: FW: USAC Audit

ATTACHMENT 9

Suite 800

McLean, VA 22102

Attn: Patricia DiMaria, AERS Senior Manager, 9th floor

Thank you so much and please let me know if you have any questions.

Tricia

Patricia DiMaria

Federal AERS Senior Manager

Deloitte & Touche, LLP

Tel: +1 703 251 3519

Main: +1 703 251 1000

Fax: +1 703 332 7414

pdimaria@deloitte.com

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USA



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 **Coral management representation letter final.doc**
62K

5/18/2011

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Mobi PCS Mail - RE: FW: USAC Audit

ATTACHMENT 9

***Universal Service
Administrative Company
High Cost Support
Mechanism***

*Independent Accountants' Report on Compliance
Relating to High Cost Support Received by Coral
Wireless LLC d/b/a Mobi PCS (HC-2008-126) for the
Year Ended June 30, 2008*

INDEPENDENT ACCOUNTANTS' REPORT

Universal Service Administrative Company
Federal Communications Commission

We have examined the compliance of management of Coral Wireless LLC d/b/a Mobi PCS ("Management"), and Coral Wireless LLC d/b/a Mobi PCS ("Beneficiary"), relative to Study Area Code No. 629002, with 47 C.F.R. Part 54, Subparts C and D of the Federal Communications Commission's ("FCC") Rules and related Orders ("Rules and Orders") governing Universal Service Support for the High Cost Program ("HCP") relative to disbursements of \$14,971,972 for telecommunication services made from the Universal Service Fund during the year ended June 30, 2008. Management of the Beneficiary is responsible for the Beneficiary's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about the Beneficiary's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the Beneficiary's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Beneficiary's compliance with specified requirements.

However, the support received for Local Switching Support ("LSS") and High Cost Loop ("HCL") was calculated based upon the previous quarter's line count reported of [REDACTED], resulting in a monetary impact on support of an underpayment of LSS and HCL in the amount of \$43,551 and \$492,810 respectively. The overstatement of [REDACTED] lines mentioned above resulted in an overstatement of Interstate Common Line Support [REDACTED]. The line count was used in the calculation of the Beneficiary's Universal Service Support, which totaled \$14,971,972 for the year ended June 30, 2008.

This report is intended solely for the information and use of the Universal Service Administrative Company and the Federal Communications Commission, and is not intended to be and should not be used by anyone other than these specified parties.

September 9, 2009

Cc: Management of the Beneficiary

ATTACHMENT:
FINDING

Detailed Information Relative to Material Noncompliance (Finding)

Finding No.	HC2008BE126_F01
Condition	<p>[REDACTED] However, the support received for Local Switching Support ("LSS") and High Cost Loop ("HCL") was calculated based upon the previous quarter's line count reported of [REDACTED] resulting in a monetary impact on support of an underpayment of LSS and HCL in the amount of \$43,551 and \$492,810 respectively. [REDACTED]</p>
Criteria	<p>Federal Communications Commission ("FCC") Rule §36.611(h) requires a rural telephone company to submit the number of working loops as of December 31st of the calendar year preceding each July 31st filing.</p> <p>In addition, FCC Rule §36.612 requires rural telephone companies in service areas where an eligible telecommunications carrier has initiated service and has reported line count data pursuant to §54.307(c) must update the information submitted to NECA on July 31st pursuant to §36.611(h) according to the following schedule.</p> <ol style="list-style-type: none">(1) Submit data covering the last nine months of the previous calendar year and the first three months of the existing calendar year no later than September 30th of the existing year;(2) Submit data covering the last six months of the previous calendar year and the first six months of the existing calendar year no later than December 30th of the existing year;(3) Submit data covering the last three months of the second previous calendar year and the first nine months of the previous calendar year no later than March 30th of the existing year.
Effect	[REDACTED]
Cause	[REDACTED]
Monetary Impact on Support	<p>The monetary impact on support is an underpayment of Local Switching Support and High Cost Loop in the amount of \$43,551 and \$492,810 respectively [REDACTED]</p>
Recommendation	<p>Before submitting line count filings, the Beneficiary should properly reconcile the [REDACTED]</p>

¹ Although we have included management's written responses to our finding, such response has not been subjected to the examination procedures applied in our examination and, accordingly, we do not express an opinion or provide any form of assurance on the appropriateness of the response or the effectiveness of any corrective action described therein.

APPENDIX A –DEFINITIONS

The definitions of a control deficiency and a significant deficiency are as follows:

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is material will not be prevented or detected by the entity's internal control.